

Kannaland Municipality

HEART OF THE ROUTE 62 AND KLEIN KAROO

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ZOAR



2013-2014 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN



KANNALAND
MUNICIPALITEIT / MUNICIPALITY

Municipality
Munisipaliteit
Masipala

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1. INTRODUCTION

The purpose of the Service Delivery and Budget Implementation Plan (SDBIP) is to assist municipal management to achieve service delivery targets, as well as spending the capital budget within the given time frames.

2. LEGAL REFERENCE

Section 53 of the Municipal Finance Management Act (Act 56 of 2003) MFMA determines that the municipality's SDBIP plan must be approved by the Executive Mayor within 28 days after the approval of the annual budget.

Section 53 determines further that the annual performance agreements of the Municipal Manager and directors as required in section 57 of the Municipal Systems Act (Act 32 of 2000) must be linked to the SDBIP. Section 69 of the MFMA determines that the draft SDBIP and performance agreements must be submitted to the Executive Mayor within 14 days after the approval of an annual budget.

3. STRATEGIC OUTCOMES, RISKS AND OUTPUTS IN THE IDP

STRATEGIC OUTCOME	MAJOR RISK	OUTPUTS
1.ACCESS TO AFFORDABLE AND RELIABLE MUNICIPAL INFRASTRUCTURE AND SERVICE DELIVERY	1.1. If infrastructure is ageing and poorly maintained which can result in a collapse in services 1.2. If there is a lack of capacity in respect of infrastructure	1.1: Basic municipal services available to all clients (water, electricity, sewerage and rubbish removal) 1.2: Sufficient capacity available in respect of water, electricity and sewerage 1.3: Minimised distribution losses 1.4: Reliable, safe and well operated and maintained municipal infrastructure

STRATEGIC OUTCOME	MAJOR RISK	OUTPUTS
2. ACCESS TO MUNICIPAL SOCIAL AND ECONOMIC DEVELOPMENT INITIATIVES	2.1. If there is an imbalance between the three pillars of sustainable development i.e. environment, economy and human wellbeing	2.1: Housing development effectively facilitated within the framework of sustainable human settlements 2.2: Strong social partnerships established within a safe environment 2.3: Action oriented approach established towards economic challenges of community
3. EFFICIENT AND EFFECTIVE GOVERNANCE WITH HIGH LEVEL OF COMMUNITY PARTICIPATION	3.1. If clients are unsatisfied / uninvolved / uninformed 3.2. If there is a lack of good governance 3.3. If management and IT systems are inadequate	3.1: Responsive service delivery that is sensitive to the challenges of the public 3.2: External and internal clients that are well informed on municipal matters
4. VIBRANT MUNICIPALITY WITH AN EFFECTIVE, MOTIVATED AND EFFICIENT WORK FORCE	4.1. If there is a lack of appropriately skilled and productive staff 4.2. If the working environment is unsafe and unhealthy	4.1: A motivated and productive work force 4.2: Well trained and appropriately skilled work force focused on objectives of municipality 4.3: Improve municipality control environment 4.4: Sound work ethics
5. A FINANCIALLY SUSTAINABLE AND VIABLE MUNICIPALITY WITH WELL MAINTAINED ASSETS	5.1. If there is insufficient revenue to meet the demand for services 5.2. If services are expensive and unaffordable	5.1: Secure and increase sources of income 5.2: Affordable and well managed budget 5.3: Curtailing expenditure 5.4: Well managed and maintained assets

These strategic outcomes, risks and outputs form the core of the Municipality's strategy in the IDP. This is what the Municipality will focus on over the five year term of this IDP. The strategy in the IDP will become a standard item on the agenda of the management team in order to continuously monitor the success of processes, actions and outputs in the achievement of the seven strategic out comes.

4. MONTHLY PROJECTIONS OF REVENUE TO BE COLLECTED FOR EACH SOURCE

WC041 Kannaland - Supporting Table SA25 Budgeted monthly revenue and expenditure														
Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14
Revenue By Source														
Property rates			1 010	1 010	2 020	1 010	1 010	1 010	1 010	1 010	1 010	1 010	1 010	12 118
Property rates - penalties & collection charges													-	-
Service charges - electricity revenue		2 876	2 876	2 876	2 876	2 876	2 876	2 876	2 876	2 876	2 876	2 876	2 876	34 508
Service charges - water revenue		803	803	803	803	803	803	803	803	803	803	803	803	9 637
Service charges - sanitation revenue		552	552	552	552	552	552	552	552	552	552	552	552	6 629
Service charges - refuse revenue		485	485	485	485	485	485	485	485	485	485	485	485	5 815
Service charges - other													-	-
Rental of facilities and equipment		23	23	23	23	23	23	23	23	23	23	23	23	273
Interest earned - external investments		22	22	22	22	22	22	22	22	22	22	22	22	268
Interest earned - outstanding debtors		154	154	154	154	154	154	154	154	154	154	154	154	1 844
Dividends received													-	-
Fines		128	128	128	128	128	128	128	128	128	128	128	128	1 592
Licences and permits		0	0	0	0	0	0	0	0	0	0	0	0	2
Agency services		46	46	46	46	46	46	46	46	46	46	46	46	551
Transfers recognised - operational		12 214				7 423				5 821			(161)	25 298
Other revenue		30	30	30	30	30	30	30	30	30	30	30	30	366
Gains on disposal of PPE													-	-
Total Revenue (excluding capital transfers and contributions)		17 333	6 129	6 129	7 139	13 552	6 129	6 129	6 129	11 950	6 129	6 129	6 027	98 901
Expenditure By Type														
Employee related costs		2 714	2 714	2 714	2 714	5 429	2 714	2 714	2 714	2 714	2 714	2 714	3 497	36 069
Remuneration of councillors		214	214	214	214	214	214	214	214	214	214	214	52	2 406
Debt impairment		202	202	202	202	202	202	202	202	202	202	202	202	2 420
Depreciation & asset impairment		729	729	729	729	729	729	729	729	729	729	729	729	8 746
Finance charges		99	99	99	99	99	99	99	99	99	99	99	99	1 182
Bulk purchases		1 998	1 998	1 998	1 998	1 998	1 998	1 998	1 998	1 998	1 998	1 998	1 998	23 978
Other materials													-	-
Contracted services													-	-
Transfers and grants		2 968	2 968	2 968	2 968	5 936		2 968	2 968	5 936	2 968	2 968	1 679	37 298
Other expenditure		1 769	1 769	1 769	1 769	1 769	1 769	1 769	1 769	1 769	1 769	1 769	1 074	20 532
Loss on disposal of PPE													-	-
Total Expenditure		10 693	10 693	10 693	10 693	16 375	7 724	10 693	10 693	13 661	10 693	10 693	9 330	132 631
Surplus/(Deficit)														
Transfers recognised - capital		24 726				6 019				1 386			1 600	33 731
Contributions recognised - capital													-	-
Contributed assets													-	-
Surplus/(Deficit) after capital transfers & contributions		31 366	(4 564)	(4 564)	(3 554)	3 196	(1 596)	(4 564)	(4 564)	(324)	(4 564)	(4 564)	(1 703)	2
Taxation													-	-
Attributable to minorities													-	-
Share of surplus/ (deficit) of associate													-	-
Surplus/(Deficit)	1	31 366	(4 564)	(4 564)	(3 554)	3 196	(1 596)	(4 564)	(4 564)	(324)	(4 564)	(4 564)	(1 703)	2

5. MONTHLY PROJECTIONS OF EXPENDITURE (OPERATING AND CAPITAL) AND REVENUE FOR EACH VOTE

WC041 Kannaland - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)														
Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2013/14
Capital Expenditure	1													
Governance and administration		53	60	60	53	53	–	53	53	53	53	53	108	648
Executive and council			8	8									15	30
Budget and treasury offices		53	53	53	53	53		53	53	53	53	53	–	525
Corporate services													93	93
Community and public safety		–	–	544	–	–	–	–	–	–	–	–	–	544
Community and social services													–	–
Sport and recreation													–	–
Public safety													–	–
Housing				544									–	544
Health													–	–
Economic and environmental		–	1 057	2 114	1 057	1 057	–	1 057	2 114	1 057	1 057	–	0	10 571
Planning and development													–	–
Road transport			1 057	2 114	1 057	1 057		1 057	2 114	1 057	1 057		0	10 571
Environmental protection													–	–
Trading services		–	2 120	2 120	3 790	2 320	1 600	2 120	3 990	2 120	2 120	500	–	22 800
Electricity			1 670	1 670	3 340	1 670		1 670	3 340	1 670	1 670		–	16 700
Water			250	250	250	250	1 600	250	250	250	250	500	–	4 100
Waste water management			200	200	200	400		200	400	200	200		–	2 000
Waste management													–	–
Other													–	–
Total Capital Expenditure - Standard	2	53	3 237	4 838	4 900	3 430	1 600	3 230	6 157	3 230	3 230	553	108	34 563

6. QUARTERLY PROJECTIONS OF SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS FOR EACH VOTE

6.1. Performance Indicators and Benchmarks (Operating Budget)

Financial Sustainability

An assessment was done by management regarding key financial ratios.

These key financial ratios indicate that the current financial status of this municipality is in dire straits. This however does not mean that Council and management cannot turn around this negative financial situation.

It is however important to list the following key ratios that is a major concern at present:

Liquidity Ratios

- Quick Ratio – formula: (Current Assets) / (Current Liabilities)

2010/2011 = 0.34 Industry Norm 2:1
2011/2012 = 0.34

- Acid test ratio

2010/2011 = 0.31 Industry Norm 1:1
2011/2012 = 0.32

- Average Debtors Payment Period: (Creditors / Service revenue x 365

2010/2011 = 142 days Industry Norm 30 days – MFMA section 65(e)
2011/2012 = 236 days

A three to five year financial plan must be drafted together with the 2013/14 IDP and budget, to ensure that the municipality is financial viable going forward.

Council's; Management's, Staff's, the Kannaland community, National and Provincial Treasury's and other role-players buy-in is of utmost importance for this municipality to succeed financially and for the municipality to deliver a standard of public services that at a level that is expectable by its residents.

Credit Control Management:

The scope for improving own revenues by ensuring payment of current bills and collecting outstanding debtors is very large. According to a benchmarking exercise on municipalities in the Western Cape, the collection rate is an average of 96% if one look at debtors movement.

Kannaland Municipality's payment rate is way below this norm at an average of 85% per annum.

All that I (CFO) can say at this moment is that Council, together with management and the staff in the income department, needs to work close together with the community in order to manage collections in a matter that is sustainable for the municipality, and affordable for the community.

The following key issues were also identified by the CFO during the resent risk management workshop held with the internal auditors and still needs to be addressed:

- Meter Management:

- Lack of human capacity and competent staff will lead to limited segregation of duties
- Lack of commitment amongst personnel
- There are no system description, job descriptions and procedures in place

➤ Debtor Account Management:

- Lack of human capacity and competent staff will lead to limited segregation of duties
- Lack of commitment amongst personnel
- There are no system description, job descriptions and procedures in place
- Fraudulent/misuse of cash and cash receipts
- Due to the nature and size of Kannaland Municipality, it does not have formal banking procedures than would be the case for bigger towns and municipalities. As a result, cash is not accounted for and banked promptly
- Debtors are not accurately accounted for
- Revenue votes are not reconciled for completeness and accuracy on a weekly basis
- Incorrect tariffs applied and as a result, inaccurate accounts and unsupported budgets
- Failure to deliver Accounts or letters of demands to customers

➤ Credit Control Management:

- Long-term debtors may not be billed timeously
- Failure to implement policy and apply such consistently
- Ward committees not fulfilling their role in terms of Credit Control
- Indigent register not updated
- Lack of commitment amongst personnel
- There are no system description, job descriptions and procedures in place
- Lack of human capacity and competent staff will lead to limited segregation of duties

Above mentioned processes and interventions will not allow the current management to address all the internal control deficiencies within a short timeframe. It will however be an ongoing statutory activity within the finance department to ensure that the income department is cleansed up and beefed up with skilled staff within the next year or two.

It must also be noted that the above meter management and billing interventions are only a portion of the much greater revenue management strategy to address the current financial, administrative and technical shortcomings within the municipality.

6.2. 2013/2014 KPI'S and Targets from the IDP

Revised KPIs and targets from the IDP for 2013/2014

Strategic Objectives:

1	Access to affordable and reliable municipal infrastructure
2	Access to municipal social and economic development initiatives.
3	Efficient and effective governance with high level of community participation.
4	Vibrant municipality with an effective, motivate efficient workforce.
5	A Financially and viable municipality with well maintained assets.

STRATEGIC OUTCOME 1: ACCESS TO AFFORDABLE AND RELIABLE MUNICIPAL INFRASTRUCTURE AND SERVICE DELIVERY

Actions	Processes	Responsible	KPI 's/ Standard	Target
Output 1.1: Basic municipal services available to all clients (water, electricity, sewerage and rubbish removal)				
1.1.1. Ensure that all proclaimed erven have access to all municipal services	Ensure full access and identify erven that do not have access to all municipal services	Technical	% proclaimed erven with access to all municipal services	100%
Output 1.2: Sufficient capacity available in respect of water, electricity and sewerage				
1.2.1. Ensure that there is always sufficient capacity to accommodate existing and future needs	Up to date master planning for the three services	Technical	Master plans for all three services	1 report per annum on status of master plans
	Ensure proper integrated planning to ensure that new development and the provision of services are well coordinated and there is always sufficient capacity	Technical	Sufficient capital budget available for the upgrading of infrastructure	1 report per annum

Actions	Processes	Responsible	KPI 's/ Standard	Target
Output 1.3: Minimised distribution losses				
1.3.1. Minimise energy losses	Ensure all electricity meters function 100% and all clients have meters	Technical Finance	% energy losses	Maintain below 20% I this year and 10% 2014/2015
1.3.2. Minimise water losses	Ensure all water meters function 100% and all clients have meters	Technical Finance	% water losses	Maintain below 20% I this year and 10%2014/2015
	Install new meters (bulk and others) where needed	Technical	Meters installed and operational	Zoar 5-2013/2014 Van Wyksdorps and Calitzdorp
1.3.3. Ensure refuse removal service for all clients	All clients informed on days of refuse removal and facilities available	Technical	% clients receive refuse removal service at least once a week	100%
Output 1.4: Reliable, safe and well operated and maintained municipal infrastructure				
1.4.1. Ensure annual budget cater for maintenance, renewal, upgrading and refurbishment of existing networks and equipment for water, electricity and sewerage	Secure a realistic amount that is available on annual budget for this purpose	Technical Council	Compliance with NERSA licence condition with respect to 5% of revenue for upgrading and refurbishment annually	100% of allocated operational budget.
		Council	Amount allocated for water and sewerage in terms of depreciated value of assets must be used for upgrading and refurbishment	100% of allocated operational budget.
1.4.2. Ensure routine maintenance of roads and storm water to slow down the deterioration until sufficient funds are available to do preventative maintenance	Utilize amount on budget effectively and efficiently to address most urgent strategic needs	Technical Council	Amount allocated for roads and storm water in terms of depreciated value of assets must be made available for maintenance and refurbishment	100% of allocated operational budget.
1.4.3. Existing gravel roads will not be tarred until sufficient funds are available	Maintain current conditions of gravel roads	Technical	Amount allocated for maintenance utilized	100% of allocated operational budget.

Actions	Processes	Responsible	KPI 's/ Standard	Target
1.4.4. Limit the funding allocated to sport and recreation on financial ability of municipality and sport clubs	Formulate a sport and recreation policy and implementation plan	Corporate	Policy approved and implemented	1
1.4.5. Maintain municipal buildings and facilities to minimum level to prevent deterioration (e.g. community halls, libraries, swimming pools, play parks)	Ensure a routine maintenance plan is executed within a realistic amount on the annual budget for this purpose	Corporate Council	Amount allocated for buildings and facilities in terms of depreciated value of assets must be made available for upgrading and refurbishment	100% spend of budget made available
	Adopt a Asset Management Strategy and Implementation plan	Corporate Council	Strategy approved and implemented	1
	Implementation of Asset Management	All	Strategy implemented	100 % spent of budget
	Assess and evaluate the future of caravan parks	Corporate Council	Report to Council on future management of caravan parks	1 report
1.4.5 Maintain air quality	Ensure that safe standard of air quality is maintained	Corporate	Adoption Air Quality Plan	1
	Ensure safe standard of air quality	Corporate	Develop capacity to enforce	1 appointment of Air Quality Officer
	Ensure that Safe Standard of air quality	Corporate	Act against offenders	100% action against offenders reported

STRATEGIC OUTCOME 2: ACCESS TO MUNICIPAL SOCIAL AND ECONOMIC DEVELOPMENT INITIATIVES

Actions	Processes	Responsible	KPI 's/ Standard	Target
Output 2.1: Housing development effectively facilitated within the framework of sustainable human settlements				
2.1.1. Collate and clean up database of housing needs within municipal area	Initiate process to verify existence of applicants of database and their particulars	Corporate	One consolidated and accurate database	1
	Collect data on farm dwellers housing needs	Corporate	Database on all farm dwellers housing needs	1
2.2.2. Develop housing master plan	Formulate a housing master and delivery plan	Corporate Council	Housing master and delivery plan approved and implemented	1
2.2.3. Building of houses with available subsidy	Ensure that housing and MIG funding applications are done in time	Corporate	Number of applications done on time	100% applications submitted on time.
	Building of houses	Corporate Technical	% of houses build with funds available	100% of allocated budget.
Output 2.2: Strong social partnerships established within a safe environment				
2.2.1. Establish a partnership with NGO sector to address social challenges	Formalise a working arrangement	Corporate/St rategic	Memorandum of agreement signed with NGO sector	3 MM 3 Corporate
2.2.2. Set up working agreement with local SAPS	Support establishment of community policing forums	Corporate	Working agreement in place	1
2.2.6. Ensure that all by-laws implemented	Review and update all by laws	Corporate	By-laws approved by Council and implemented	1

Output 2.3: Action oriented approach established towards economic challenges of community				
2.2.7. Community awareness campaign regarding indigent support that is available	Registration of indigent households	Finance	All indigent household on Indigent Register receive approved support	100%
2.2.8. Review LED strategy and action plan and implementation/ partnership structures	Complete LED strategy and action plan and submit to Council for approval	MM	Strategy approved and implemented	1
	Establish LED forum	MM	LED forum fully operational	1
	Tourism Implementation Plan	MM	Plan approved by Council and Implemented	1
	Intensification of EPWP Programme	MM	Funding for EPWP spend	100%

STRATEGIC OUTCOME 3: EFFICIENT AND EFFECTIVE GOVERNANCE WITH HIGH LEVEL OF COMMUNITY PARTICIPATION

Actions	Processes	Responsible	KPI 's/ Standard	Target
Output 3.1: Responsive service delivery that is sensitive to the challenges of the public				
3.1.1. Promote active participation in IDP and Budget Processes and other municipal decision-making matters	Continue support to Ward Committees	MM	Fully functional Ward Committees with regular meetings	4
	Develop Public Participation Policy	MM	Adoption of Public Participation Policy	1
	Annually develop IDP process plan for annual review id Integrated Development Plan	MM	Adopted process plan.	1
	Establishment of IDP Forum	MM	Forum represent the community	At least 2 x annually
	Public Participation Meetings and Workshops	Council MM	Workshops in all wards	At least 2 x annually
	Regular feedback meetings	Council	Schedule of feedback meetings	At least 2 x annually

		MM	in all wards	
3.1.2. Test customer satisfaction levels with service delivery	Annual survey to test levels of satisfaction and suggestions to improve.	MM	Survey completed	1
	Made available a box for suggestions, compliments, complaints and suggestions.	MM	Manual boxes made available at all municipal offices and libraries with analysis of information and presented to management for action	4 boxes one per town
Output 3.2: External and internal clients that are well informed on municipal matters				
3.2.2. Formulate and implement internal and external communication strategy and plan	Compile the strategy and plan with annual assessment of objectives and targets and revision if needed	MM	Strategy compiled and approve with annual assessment and revision	1
3.2.2. Compile and distribute municipal newsletter	Newsletter contain relevant information to empower community	MM	Newsletter available to all clients of municipality	4 x annually
3.2.3 Maintain up to date website	Regularly up to date municipal website.	Finance	Website up dated with information as required by MFMA, PAIA	1 up date per week: 4 per month

STRATEGIC OUTCOME 4: VIBRANT MUNICIPALITY WITH AN EFFECTIVE, MOTIVATED AND EFFICIENT WORK FORCE

Actions	Processes	Responsible	KPI 's/ Standard	Target
Output 4.1: A motivated and productive work force				
4.1.1. Improve staff interaction and motivation / work culture	Compile and implement programme for staff interaction and motivational sessions	MM	Programme compiled and implemented	1 Plan 75 % attainment of objectives
	Monitor the level of motivation of work force	MM	Perception / satisfaction survey completed	1
4.1.2. Recognition of achievements	Develop and implement policy and standards for recognition of achievement	Corporate	Policy implemented	1
Output 4.2: Well trained and appropriately skilled work force focused on objectives of municipality				

4.2.1. Improve skills level of staff	Hold training sessions according to workplace skills plan	Corporate	Training provided according to workplace skills plan	Annually
Output 4.3: Improve municipality control environment				
4.3.1. Implement risk management	Identify risks affecting the municipality with regular monitoring and evaluation of risk assessments	MM	Update risk assessment and measurements according to controls implemented	Spend 1% of salary budget
Output 4.4: Sound work ethics				
4.4.1. Maintain a zero tolerance to fraud and corruption	Effectively attend to reported and identified fraud and corruption	MM	Monthly reporting to Council	Monthly
	Fraud and corruption awareness under staff and public	MM	Awareness campaign staff/public	Annually
	Make staff and public aware of whistle blowing procedure and contact number	MM	Awareness campaign staff/public	Annually

STRATEGIC OUTCOME 5: A FINANCIALLY SUSTAINABLE AND VIABLE MUNICIPALITY WITH WELL MAINTAINED ASSETS

Actions	Processes	Responsible	KPI 's/ Standard	Target
Output 5.1: Secure and increase sources of income				
5.5.1. Maintain and improve debt collection	Investigate further processes to increase the debt collection rate	Finance	Report completed	1
	Pursue debt collection	Finance	Report on debt collection	Quarterly
5.5.2. Secure new sources of revenue	Investigate new sources of revenue	Finance	Investigate and discuss at a management meeting	Annually
	Assist new businesses to establish in the area	Finance MM	Report on engagements with stakeholders who could assist in bringing growth to the area	1 report per annum

5.5.3. Secure more external funding and government grants including long term funding for operating expenses	Investigate possible new external funding sources and government grants	Finance	Report completed on funding sources and grants	1 report per annum
	Pursue opportunities for receiving grant funding vigorously	Finance	Report on opportunities	Annually
	Establish public-private partnerships or public-public partnerships with respect to soft services	Finance MM	Report completed on partnerships	1 report per annum
Output 5.2: Affordable and well managed budget				
5.2.1. Monitor the financial health of municipality against financial standards	Measure and report on financial performance against ratio's and standards	Finance	Report on Municipality's performance against ratio's and standards	Quarterly
Output 5.3: Curtailing expenditure				
5.3.1. Prioritise budget to prevent unfair competition between different municipal services for resources	Prioritize municipal services according to priority risk (also consider income generating potential of projects)	All	Prioritisation complete	End Oct
Output 5.4: Well managed and maintained assets				
5.4.1. Maintain and utilise assets effectively and efficiently	Implement an asset register that complies with GRAP	Finance	Active asset register	1 report per annum on assets
	Establish asset management program	Finance	Programme established	1 report per annum

6.3. Generic KPIs and targets for Municipal Manager and Directors

MUNICIPAL MANAGER

The performance objectives, KPI's, annual targets and risks in the following table are applicable to the Municipal Manager:

Performance Objective	KPI	Target	Target Description
pr-09-0001: Promote local economic development through liaison with business role-players	Annual event with local business held before end of June 2013	Yes	
pr-09-0002: Promote and facilitate the creation of jobs	% of the LED funds actually spent	90%	For the year
pr-09-0003: Ensure sound management	Monthly management meetings held	Yes	
pr-09-0004: Promote proper procurement through sound management	Number of appeals against the municipality regarding the awarding of tenders that were upheld	0	
pr-09-0005: Promote implementation by ensuring that the performance of the municipality is monitored	Monthly performance and financial assessments done	Yes	
pr-09-0006: Promote good governance through the publication of an annual report	Annual Report as required by MFMA (121) tabled before end of January and approved before end of March?	Yes	

Performance Objective	KPI	Target	Target Description
pr-09-0007: Promote council's objectives by ensuring tasks are implemented	% of due council decisions initiated	100%	
pr-09-0008: Ensure that participative planning takes place	Monthly checking of IDP/Budget process schedule done	Yes	
pr-09-0009: Ensure the organisation functions optimally by maintaining a functional macro-structure	Annual review of the macro structure completed	yes	
pr-09-0010: Ensure good cooperation between the political and administrative components of the municipality	Performance Management System for Councillors evaluated and revised	Yes	
pr-09-0011: Improve decision-making through the formalisation of delegations	System of delegations revised	Yes	
pr-10-0001: Ensure that the financial statement fairly represent the position of the Municipality and that performance information is reliable, accurate and complete	Was a clean audit obtained from the Accountant-General	Yes	
pr-10-0002: MFMA Section 21(2): When preparing the annual budget take into account the municipality's IDP	IDP taken into account when preparing the annual budget	Yes	
pr-10-0003: MFMA Section 27(1): Inform the MEC for finance of any non-compliance by the municipality of any provisions of this Act or any other legislation pertaining to the tabling or approval of an annual budget or compulsory consultation processes	MEC informed of non-compliance, if any?	yes	
pr-10-0004: MFMA Section 29(1): Authorise unforeseeable and unavoidable expenditure for which no provision was made in an approved budget in emergency or other exceptional circumstances	Unforeseeable and unavoidable expenditure, if any, authorised	Yes	

pr-10-0005: MFMA Section 31: Give approval that expenditure for a programme during a financial year may exceed the amount of that year's appropriation.	Approval, if applicable, given	Yes	
pr-10-0006: MFMA Section 46(2): Sign a resolution of council which approves the debt agreement regarding the incurrence of long-term debt	Resolution, if applicable, signed	Yes	
pr-10-0007: MFMA Section 52(c): Take all reasonable steps to ensure that the municipality performs its constitutional and statutory functions	Municipality performed its constitutional and statutory functions	Yes	
pr-10-0008: MFMA Section 53(1)(b): Co-ordinate the annual revision of the IDP and the preparation of the annual budget, and determine how the IDP is to be taken into account or revised for the purposes of the budget	Annual revision and preparation co-ordinated Was it determined how the IDP is to be taken into account or revised	yes	
pr-10-0009: MFMA Section 53(2): Report to council and the MEC for finance any delay in the tabling of the budget, the approval of the SDBIP or the signing of the annual performance agreements	Any delay reported to council and the MEC, if applicable	Yes	
pr-10-0010: MFMA Section 54(1): On receipt of section 71 monthly statements or section 72 mid-year assessment, check whether the municipality's approved budget is implemented in accordance with the SDBIP	Implementation of the approved budget in accordance with the SDBIP checked	Yes	
pr-10-0011: MFMA Section 54(1): On receipt of section 71 monthly statements or section 72 mid-year assessment, consider and, if necessary, make revisions to the SDBIP	SDBIP considered and revisions made if necessary	Yes	
pr-10-0012: MFMA Section 54(1): On receipt of section 71 monthly statements or section 72 mid-year assessment, issue instructions to ensure that budget is implemented i.a.w. SDBIP and that spending of funds and revenue collection proceed i.a.w. budget	Appropriate instructions issued	yes	

Performance Objective	KPI	Target	Target Description
pr-10-0013: MFMA Section 54(1): On receipt of section 71 monthly statements or section 72 mid-year assessment, identify any financial problems facing the municipality	Financial problems identified, if any	Yes	
pr-10-0014: MFMA Section 55: If the municipality has not approved a budget by the 1st day of the budget year or if it encounters a serious financial problem referred to in section 136, to immediately report the matter to the MEC for local government	Was a serious financial problem referred to in section 136, if any, immediately reported to the MEC	Yes	
pr-10-0015: MFMA Section 133(1): If accounting officer fails to submit financial statements to the Accountant- General or if the mayor fails to table the annual report, to promptly table in council a written explanation setting out the reasons for the failure	Written explanation, if applicable, tabled in the council	yes	
pr-10-0040: MFMA Section 131(1): Ensure that any issues raised by the Auditor-General in an audit report are addressed	% of issues raised by the Auditor-General in an audit report addressed	100%	

Directors

The performance objectives, KPI's and targets in the following table are on a management level and are applicable to all the directors:

Performance Objective	KPI	Target	Target Description
Ensure that capital expenditure is inline with budget and time frames	% of capital budget spent		Between 95% and 105%
Implement capital projects	Average % completion of capital projects	95.0%	for the year
Ensure that operating expenditure is in line with budget and time frames	% of operating budget spent		Between 90% and 100%
Ensure that the workforce is appropriately skilled	% of planned training sessions realised	100.0%	
Implement all council decisions	% of due council decisions initiated	100.0%	
Ensure proper performance and financial monitoring	Monthly performance assessments and reconciliation of departmental records of expenditure with finance records done?	Yes	
Ensure legal compliance in relation to the annual report	Departmental input to the annual report submitted by due date?	Yes	

Performance Objective	KPI	Target	Target Description
Facilitate adequate budget planning	Budget requests provided to financial department in accordance with the budget time schedule?	Yes	
Complete all assignments from the municipal manager by set date	Number of written warnings received from municipal manager	0	maximum
Address all correspondence in a timely manner	% of all correspondence recorded by Collaborator less than 60 days old	90.0%	
Implement transformation in the organisation	% of employment opportunities applied for appropriate equity appointments	75.0%	
Ensure that all procurement comply with process	% compliance with SCM policy with the exception of approved deviations	100.0%	
Resolve all audit issues	% internal audit queries for which an action plan was submitted within 10 working days	90.0%	
	% internal actions implemented within agreed timeframe	100.0%	
	% of Auditor General' s queries (comafs) for which an action plan was submitted within 5 working days	100.0%	
	% of Auditor General' s findings implemented within agreed time frame	100.0%	
Identify risks and implement controls	Quarterly confirmation of risk assessment?	Yes	

Performance Objective	KPI	Target	Target Description
Ensure employee involvement through communication	Number of meetings held according to approved schedule	?	
Reduce the average duration of vacancies	Average duration of vacancies after decision was taken by management to fill the post	3 mths	maximum
Promote a productive workforce	% of person days lost per month	4% pm	maximum
Ensure the effective monitoring of the EPWP with respect to implementation and reaching of targets	Number of person days of work created during the financial year	?	
	Number of work opportunities created during the financial year	?	For the whole organisation for the year
Adherence to the Municipality's Virement Policy	Not more than 4 virements with respect to any line item on the budget been done during the financial year?	Yes	

Over and above the performance objectives, KPI's and targets in the preceding table, the undermentioned are only applicable to the specific directors, as indicated:

Performance Objective	KPI	Target	Target Description
Director Development Services			
pr-10-0024: Provide for Integrated Housing projects	Were bulk services for integrated housing projects	Yes	
Director Financial Services			
pr-09-0096: PM Regulations Reg 10(g): Ensure general financial viability	% Outstanding service debtors to revenue = $B \div C$ <i>B represents total outstanding service debtors</i>	15.6%	
	% Cost coverage = $(B+C) \div D$ <i>B represents all available cash at a particular time</i>	6.4%	

Performance Objective	KPI	Target	Target Description
	$\% \text{ Debt coverage} = (B - C) \div D$ <i>B represents total operating revenue received</i> <i>C represents operating grants</i>	27.0%	
pr-10-0021: Systems Act Section 99(a): Oversee and monitor the implementation and enforcement of the credit control and debt collection policy and any by-laws enacted in terms of section 98	Implementation and enforcement of the debt collection and credit control policy/by-laws overseen and monitored?	Yes	
pr-10-0022: MFMA Section 21(1)(a): Co -ordinate the processes for preparing the annual budget and budget-related policies	Processes co-ordinated	Yes	
pr-10-0023: MFMA Section 45(2): Sign a resolution of council which approves the debt agreement regarding the incurrence of short-term debt	Resolution, if applicable, signed?	Yes	
pr-11-0003: Monthly reconciliation of free units in respect of free electricity	Monthly reconciliation of free units in respect of free electricity done?	Yes	

6.4. Targets and projected expenditure for each capital budget item

WC041 Kannaland - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)														
Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework
R thousand		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2013/14
Capital Expenditure	1													
Governance and administration		53	60	60	53	53	–	53	53	53	53	53	108	648
Executive and council			8	8									15	30
Budget and treasury office		53	53	53	53	53		53	53	53	53	53	–	525
Corporate services													93	93
Community and public services		–	–	544	–	–	–	–	–	–	–	–	–	544
Community and social services													–	–
Sport and recreation													–	–
Public safety													–	–
Housing				544									–	544
Health													–	–
Economic and environmental services		–	1 057	2 114	1 057	1 057	–	1 057	2 114	1 057	1 057	–	0	10 571
Planning and development													–	–
Road transport			1 057	2 114	1 057	1 057		1 057	2 114	1 057	1 057		0	10 571
Environmental protection													–	–
Trading services		–	2 120	2 120	3 790	2 320	1 600	2 120	3 990	2 120	2 120	500	–	22 800
Electricity			1 670	1 670	3 340	1 670		1 670	3 340	1 670	1 670		–	16 700
Water			250	250	250	250	1 600	250	250	250	250	500	–	4 100
Waste water management			200	200	200	400		200	400	200	200		–	2 000
Waste management													–	–
Other													–	–
Total Capital Expenditure - Standard	2	53	3 237	4 838	4 900	3 430	1 600	3 230	6 157	3 230	3 230	553	108	34 563

7. Ward information for expenditure and service delivery

Information not available.